



**Minutes of the meeting of the Board of Trustees of  
Glasgow Caledonian New York College held on June 27,  
2018**

- Present:** Gordon Jack (Chair)  
Daniel Bena, Kim Brizzolara, Professor Pamela Gillies, Ian Kerr,  
Professor James Miller, Professor Ann Priest (by video-link), John  
Walker<sup>1</sup>
- Apologies:** Elinor Tatum
- In Attendance:** Cara Smyth, VP GCNYC  
Professor Robert Clougherty, Provost  
Riley Power, Head of Governance (by video-link)  
Agnes Russell, Head of Financial Accounting (by video-link)  
Marnie Vaughan, Marketing and Research Assistant (Minute Secretary)

**CHAIRS OPENING REMARKS**

The Chair noted that in advance of the meeting Mary Daly had tendered her resignation from the GCNYC Board of Trustees and noted the Board's appreciation for Mary's support and contribution to the Board during her term of office.

The Chair of the Board also referred to the communication received from the Middle States Commission for Higher Education confirming that the College had received its candidacy status. The Chair, on behalf of the Board, congratulated the team involved in achieving this outcome and noted in particular the work of the Provost in this regard.

**1 APOLOGIES FOR ABSENCE**

There were apologies for absence from Elinor Tatum.

**2 DECLARATION OF MEMBERS INTERESTS**

2.1 The Board noted the following interests:

- (a) Gordon Jack, Ian Kerr and Professor Ann Priest as directors of GCU-NYC, Inc. and as governors of the Sole Member, GCU;
- (b) Professor Pamela Gillies and Professor James Miller as directors of GCU-NYC, Inc. and as Executive Board members of the Sole Member, GCU;

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<sup>1</sup> The Trustees in attendance constituted a quorum.

- 2.2 The Chair noted that prior to the next meeting of the Board the declaration of interest forms would be reissued to members for completion and for future meetings a register of interests would be included with the Board papers.

### **3 MINUTES OF MEETING OF BOARD OF TRUSTEES HELD ON APRIL 4, 2018**

- 3.1 The Board noted the minutes of the meeting of the Board of Trustees on April 4, 2018 which had been circulated to trustees on May 21, 2018 with changes intimated by trustees incorporated into the final minutes.

### **4 MATTERS ARISING BRIEFING NOTE**

- 4.1 The Board considered a report on the matters arising from its meeting held on April 4, 2018. Trustees noted the actions that had been taken in relation to each matter arising.
- 4.2 The Chair noted in particular the matter arising around the formality of voting. Advice received by the University was that there was no requirement as to the process for voting beyond that which was outlined in the By-Laws and that it was entirely up to the Trustees to determine what process best suited the Board. The Board agreed that the approach to be adopted would be that adopted in previous meetings whereby an individual would introduce a paper, the Chair would invite the Board to discuss and indicate assent or otherwise the recommendations in the paper, with any specific objections noted in the minutes. It was not proposed to require a mover, seconder and formal vote for each item, unless specifically requested by a Trustee and agreed by the Board.

### **5 CHAIR OF THE BOARD OF TRUSTEES REPORT**

- 5.1 The Board received a report from the Chair on the activities he had undertaken and meetings he had attended on behalf of the Board. The Chair noted in particular that he had been engaged in a number of discussions with management in relation to the GCNYC Budget that had been included on the agenda and had also discussed the budget with the GCNYC Treasurer, prior to its appearance on the Board agenda.

### **6 PRESIDENT & CEO'S REPORT**

- 6.1 The Board received a report from the President & CEO. The President & CEO noted the following, in particular:
- (a) The President & CEO noted that a new Minister for Further Education, Higher Education and Science had been appointed to the Scottish Government Cabinet and that the GCU would be working hard to build strong links with the incoming Minister and to promote the work the of GCU and GCNYC;

*(Secretary's note: Following the meeting the Scottish Government announced that the proposed nomination for Minister had been withdrawn. A new Minister has since been appointed).*

- (b) The President & CEO noted that it was a peak time for student recruitment for September intakes both in the UK and in NY and that the College was operating in an increasingly challenging and competitive market. Nevertheless, GCNYC had a very positive and competitive offering including the opportunities for students across three international campuses, strong industry links and positive graduate employment outcomes for students. In this regard, the president and CEO noted that of the 95% of GCU students in further education or employment, 74% of those students were in graduate level employment.
- (c) The President & CEO noted that the VP GCNYC had been working with the British School of Fashion at GCU London for the CEO Convening scheduled for 15 November 2018.
- (d) The President & CEO advised that the installation of Dr Annie Lennox OBE as Chancellor of the University would take place on July 2, 2018 and that the University looked forward to welcoming the GCNYC Trustees to the GCU Glasgow Campus for this ceremony.

## **7 GCNYC BOARD SECRETARY'S REPORT**

- 7.1 The Board received an update report from the Board Secretary on actions taken since the last Board meeting.
- 7.2 The Board **agreed**<sup>2</sup> the motion to approve an information sharing protocol between GCU and GCNYC in relation to the sharing of confidential GCU Court and GCNYC Board papers and that the protocol be included as an addendum to the MOU between GCU and GCNYC.
- 7.3 The Board noted the calendar of meeting dates for the 2018-19 sessions which had been based on the forward work programme and pattern of meeting dates agreed by the Board at its meeting on April 4, 2018.
- 7.4 The Board also noted that GCNYC had received a letter from the IRS requesting additional information in relation to the College's application for tax-exempt status and also requiring amendment to the College's By-Laws to expressly refer to the College's Anti-Discriminatory Policy. The Board Secretary tabled the proposed amendment to the College's By-Laws that had been circulated to Trustees the day prior to the meeting.
- 7.5 The Board **agreed** to amend the College's by-laws to include the proposed amendment. The Board noted that a public notice would also be published in a NY newspaper detailing the College's Anti-Discriminatory Policy.

*(Secretary's note: The College received a letter from the IRS on 12 July 2018 confirming its status as a s501(c)(3) tax-exempt entity).*

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<sup>2</sup> All motions were approved unanimously unless otherwise indicated in the minutes.

- 7.6 The Board **agreed** to formally accept the resignation of Mary Daly as a Trustee of GCNYC. The Chair asked that the Board Secretary commence a process to appoint a replacement Trustee to fill the resulting vacancy.

**ACTION: Process to be commenced to fill the vacancy on the Board of Trustees resulting from the resignation of Mary Daly. (Board Secretary)**

## **8 VICE PRESIDENT GCNYC'S REPORT**

- 8.1 The Board considered a report from the VP GCNYC in relation to matters within her remit. The VP GCNYC noted the following, in particular:
- (a) The College had received its candidacy status from the MSCHE following consideration of this candidacy at the meeting of the Commissioners on June 21, 2018. The VP GCNYC noted that the MSCHE had originally advised that the College's pre accreditation candidacy would have been completed in March 2018 which would have allowed for international student recruitment, visas and financial aid to be activated for the September 2018 cohort. While welcome news, the shift in dates has resulted in the local NY market being the sole pool of potential students for the September 2018 intake.
  - (b) Following grant of candidacy status, the focus of the College was now on driving student recruitment and building the financial sustainability of the College's operations.
  - (c) The College was developing its suite of CPD and Executive Education Programmes with a view to these programmes acting as feeder programmes to the College's post-graduate degree programmes.
  - (d) The College had targeted a total of 44 students for the September intake. To date, 10 candidates were expected to convert with further recruitment activity ongoing. The College had also appointed a chief recruiter with local and international experience who would focus on student recruitment once in post. It was expected that
  - (e) The VP GCNYC provided an update on income from grants, consulting and other fundraising.
- 8.2 Trustees noted the report on progress against a number of income generation activities. The VP GCNYC advised that these activities would contribute to achieving the budgeted income targets.

## **9 GCNYC PROVOST'S REPORT**

- 9.1 The Board considered a report from the Provost which provided an update on the academic functions and performance of the College since the last meeting of the Board.
- 9.2 The Provost advised the Board that 100% of students had completed Term B and had commenced Term C in good standing with a course completion rate of 100%. The College's had a mean GPA of 3.73. The Board also noted the Spring C 2017-18 Enrollment Report.
- 9.3 The Provost advised Trustees of updates to the University staff directory and that the College had appointed a Title IX Coordinator and Director of Operations and Student Services.

- 9.4 The Board **agreed** the motion from the Provost that in order to align with US practice in the honours recognised by the College, the College would adopt term-based designations of President's List (GPA of 3.9 or greater) and Provost's List (GPA of 3.75-3.89) and that the College would announce the awards and the President or Provost, as the case may be, would send congratulatory letters to students who receive that designation in a given term.
- 9.5 The Board **agreed** the motion from the Provost that the GCNYC Policy on Dissertation Supervision, included with the Provost's Report, be approved, subject to the Provost including some additional clarification to the policy relating to the role of the Reviewer.

**ACTION: GCNYC Policy on Dissertation Supervision to be amended to include additional clarification on role of the Reviewer.**

- 9.6 The Board **agreed** the motion from the Provost that the revised GCNYC RPL and Transfer Policy, included with the Provost's Report, be approved, subject to minor amendments to the policy requested by the Board.
- 9.7 The Provost provided a detailed report to the Board on implications of candidate status with the MSCHE and the additional actions that were required to maintain and exceed the standards required as part of the two-year self-study period. The Provost advised that further work was being undertaken to train relevant staff in the requirements of Title IV relating to students supported by federal loans. The Provost also advised that further work was being undertaken with the Department of Homeland Security in relation to the College's Student Exchange and Visitor Programme Certification.
- 9.8 The Board commended the Provost on the significant work that had led to achievement of the MSCHE candidacy status. Trustees queried the approximate timeline for obtaining SEVP Certification and Title IV status. The Provost indicated that it was possible that these elements could be in place by January 2019 although it was also possible that unforeseen circumstances may extend this timeline. The Board **agreed** that a timeline of expected achievement of these elements should be provided to its next meeting.

**ACTION: Timeline for obtaining SEVP Certification and Title IV status to be provided to next meeting of Board of Trustees.**

## **10 GCNYC ACADEMIC BOARD REPORT**

- 10.1 The Board noted a report from the Provost on the activities of the Academic Board since the last meeting of the Board.

## **11 PERIOD 9 FINANCIAL MANAGEMENT REPORT**

- 11.1 The Board received an update from the VP GCNYC on the Period 9 management accounts. The VP GCNYC advised Trustees that a full reforecast for GCNYC had taken place in Period 6 and had been updated for the period 9 report. The report noted that Period 9 2017-18 indicated a final year deficit of \$3.8m which was approximately \$0.7m adverse against revised budget and that this was driven mainly by a reduction in forecast income. Trustees requested a further breakdown of the category of costs contained within the 2018-19 budget and for these categories to appear in future

management account reports. The Chair of the Board and the Treasurer advised Trustees that the Period 10 report did not show significant change from the position in the period 9 report.

## 12 DRAFT GCNYC BUDGET

- 12.1 The Board considered the draft GCNYC budget for 2018-19. The Board Chair introduced the budget item by advising trustees that he, the Chair of the Sole Members' Finance and General Purposes Committee and the VP GCNYC had closely reviewed the draft budget prior to submission to the Board for approval. The Chair had also discussed the budget with the Board Treasurer in advance of the meeting of the Board. The Chair advised that that income from student recruitment and rental income seemed to be on target and there had been positive feedback from the MSCHE on the University's accreditation status. The Chair of the Board noted however that despite the development of a strong network of industry and CEO contacts, it had taken longer than anticipated to deliver against other income sources. It was for these reasons the original proposed budget had not been approved and that management had been requested to review the budget to reflect actual performance against budget in 2017-18 and to articulate a marketing strategy that would support the expected student number-focussed budget outcomes. The revised budget presented to the Board had addressed this feedback.
- 12.2 The VP GCNYC advised that the budget rebalanced away from 'other income' items and towards the core business of the College of generating income from accredited education. The Board acknowledged, however, that the other income producing activities still required to be supported to the extent that these contributed towards the USP for the College and established a pipeline of students for the accredited education programmes. The VP GCNYC also set out the operational and marketing and recruitment plans for the College for the 2018-19 academic session. A key focus of the plans was building brand recognition and the leveraging the College's unique offering as its competitive strength.
- 12.3 The Board Treasurer highlighted the significant increase in budgeted income from accredited education and noted that this underscored the importance of delivering the budgeted income through the operational plan. The Board agreed it would be useful to have more information on the pipeline of opportunities to deliver the budgeted income and that this would also be a useful operational tool for management and would assist in risk management around budget delivery.

### **ACTION: Pipeline report on income generation opportunities to be developed for GCNYC and circulated to Board Chair and Treasurer (VP GCNYC)**

- 12.4 The Board **agreed** the motion from the Board Treasurer that the GCNYC Budget for 2018-19 be approved.

## 13 REMUNERATION PHILOSOPHY

- 13.1 The Board considered a report that set out the proposed Remuneration Philosophy for the College which set out the fundamental principles upon which decisions around remuneration at the College would be based. The Board noted that the principles in the

remuneration philosophy mirrored those contained in the remuneration philosophy of the Sole Member, which had been approved by the Sole Member at its meeting on 21 June 2018.

- 13.2 The Board **agreed** the motion to approve the remuneration philosophy subject to a minor change.

#### **14 REPORT ON DEVELOPMENT OF STRATEGIC PLAN**

- 14.1 The Board received an update from the President & CEO and the VP GCNYC on the development of the GCNYC Strategic Plan. The President & CEO advised that a GCNYC Executive Strategic Planning Day had been scheduled for 3<sup>rd</sup> October 2018 which would further develop the strategic narrative for GCNYC for consideration by the Board of Trustees at its Strategy Day on December 14, 2018.

#### **15 REPORT ON TRANSFER OF GCU-NYC, INC. ASSETS AND LIABILITIES TO GCNYC**

- 15.1 The Board considered a Report from the Board Secretary which set out the decision making process for the transfer of assets and liabilities from GCU-NYC, Inc. to GCNYC, following the award of the provisional charter to GCNYC. The report contained a draft proposed transfer agreement. The report also contained details of the tax, legal and accounting implications associated with the proposed transfer. Finally, the report recommended that following the successful transfer of all assets and liabilities from GCU-NYC, Inc. to GCNYC, that GCU-NYC, Inc. be dissolved. The Board noted that the proposed agreement had been recommended for approval by the Sole Member and the GCU-NYC, Inc. Board. The Chair of the GCU-NYC Inc. Board noted that those Board members who were also members of the GCU-NYC Inc. Board and governing body of the Sole Member had a potential conflict of interest in this transaction and as such would not participate in the vote on whether to approve the proposed transfer.
- 15.2 The Board **agreed** the motion to approve the proposals in the report and approve the draft transfer agreement.

#### **16 GCNYC AUDIT COMMITTEE**

- 16.1 The Board noted a report from the Board Treasurer on the meeting of the GCNYC Audit Committee on Friday, June 22, 2018. The Board treasurer noted in particular that:
- (a) The Committee had approved the accounting policies adopted in constructing the Annual Financial Statements of the College, following a formal review of the policies. Including review by the College's external auditors.
  - (b) The Committee considered its terms of reference and did not recommend any changes for approval by the Board of Trustees. The Committee requested that the College's legal advisers review the Terms of Reference and provide further assurance that they remained fit for purpose.

*(Secretary's Note: The College's legal advisers confirmed on 29 June 2018 that the Audit Committee Terms of Reference remained fit for purpose.)*

- 16.2 The Board Treasurer agreed to confirm with the external auditors whether it would be necessary or desirable for them to be present at the meeting in November at which the annual accounts of the college would be considered.

**17 DRAFT AGENDA FOR NEXT MEETING OF GCNYC BOARD OF TRUSTEES**

- 17.1 The Board noted the draft agenda for the next meeting of the Board of Trustees and requested that the agenda be updated to take account of any discussion at the meeting on future agenda items.

**18 DATE OF NEXT MEETING**

- 18.1 Board members noted that the date of the next meeting would be Tuesday, November 13, 2018.